# FAIRER SCOTLAND DUTY
## SUMMARY

<table>
<thead>
<tr>
<th>Title of Policy, Strategy, Programme etc</th>
<th>Early Learning and Childcare (ELC) expansion</th>
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| Summary of aims and expected outcomes of strategy, proposal, programme or policy | The Scottish Government and local authorities have committed to almost double the funded entitlement to early learning and childcare (ELC) from 600 to 1,140 hours from August 2020 for all 3 and 4 year olds and eligible 2 year olds. Those eligible for the 2 year old offer include looked after children and children who are subject to a kinship or guardianship order. It also includes children in families receiving support under part VI of the Immigration and Asylum Act 1999 and children whose family are in receipt of a ‘qualifying benefit’. This will be high quality, flexible ELC that is accessible and affordable for families. The expansion will deliver three main benefits for children and families:  
- children’s development improves and the poverty related attainment gap narrows;  
- more parents will have the opportunity to be in work, training or study; and  
- increased family resilience through improved health and wellbeing of parents and children.  
Funding Follows the Child will be introduced alongside the national roll-out of the expanded hours from August 2020. This ‘provider neutral’ approach is underpinned by a National Standard¹ that all providers delivering the funded hours – regardless of whether they are in the public, private or third sector, or childminders – will have to meet.  
We also increased the maximum session length for funded ELC from 8 hours to 10 hours and removed the minimum session length time from August 2019². This allows families to access their child’s ELC entitlement over longer sessions over a smaller number of days if this best meets their family needs. It will enable them to access, for example, a full day session (8am-6pm) at a

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² The Children and Young People (Scotland) Act 2014 (Modification) (No.1) Order 2019
private or local authority nursery without paying for additional hours as part of their funded entitlement.

**Summary of evidence**

**Inequalities of Outcome in the Early Years**

A socio-economic gap in cognitive attainment is apparent well before children attend primary school. Children from less advantaged families perform less well at age 3 than children from more advantaged backgrounds. Studies have also established that early cognitive ability can influence later outcomes. Children with early poor cognitive ability can have poorer education, employment, health, and social development outcomes later in life.

Accessing high quality ELC is associated with improved outcomes in language, cognitive and other essential skills and, importantly, these benefits have been found to be greater for children from disadvantaged backgrounds. In addition, analysis of Growing Up in Scotland data has shown that children from more and less deprived areas and from higher and lower income households are equally as likely to take up their funded ELC entitlement, and that children from disadvantaged backgrounds are no less likely, than those from advantaged backgrounds, to attend the highest quality pre-school provision. Since children from disadvantaged backgrounds may benefit more from government funded ELC, universally available ELC can contribute to narrowing the poverty-related attainment gap. Increased investment in children’s outcomes during the early years is anticipated to reduce interventionist public spending later in life, and have a positive impact on long term health, wellbeing, and productivity.

There is also evidence of the links between the availability of affordable and accessible ELC and employment opportunities for parents and carers. Research has found that typically higher paid

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3 Scottish Government: Tackling inequalities in the early years: Key messages from 10 years of the growing up in Scotland study; 2015: [https://www.gov.scot/publications/tackling-inequalities-early-years-key-messages-10-years-growing-up-scotland-study/](https://www.gov.scot/publications/tackling-inequalities-early-years-key-messages-10-years-growing-up-scotland-study/)


8 Scottish Government: Tackling inequalities in the early years: Key messages from 10 years of the growing up in Scotland study; 2015: [https://www.gov.scot/publications/tackling-inequalities-early-years-key-messages-10-years-growing-up-scotland-study/](https://www.gov.scot/publications/tackling-inequalities-early-years-key-messages-10-years-growing-up-scotland-study/)

jobs and career progression opportunities come with less flexibility and may require someone to work full-time\textsuperscript{10}. Parents and carers in disadvantaged families may therefore have less chance to enter employment or take on progression opportunities if they are unable to access affordable and flexible ELC.

Feedback from a number of consultation events on the National Standard, and from our research on ‘Parents’ Views and Use of ELC in Scotland’\textsuperscript{11}, mentioned flexibility of hours as a concern within the context of parents using ELC to enable them to work. This was a particular concern for parents and carers who are unable to afford private provision, where there can be more flexibility than local authority settings. There has been wide support for more flexibility with session lengths in the ELC expansion. This will allow parents to access their child’s entitlement in patterns which more closely align to the working day.

**Impacts of the ELC Expansion on Inequalities of Outcome**

There is already very high uptake of funded ELC in Scotland; our latest ELC census data\textsuperscript{12} shows near universal uptake of funded ELC by 3 and 4 year olds and our research on Parents’ Views and Use of ELC in Scotland\textsuperscript{13} found that of the parents surveyed, 90\% said they would use some or all of their child’s expanded hours.

Around a quarter of 2 year olds are entitled to funded ELC. Given that children growing up in disadvantaged circumstances stand to benefit the most from high quality ELC\textsuperscript{14}, eligibility criteria\textsuperscript{15} for the 2 year old offer intends to capture children facing the most disadvantage and includes looked after children and children who are subject to a kinship or guardianship order. It also includes children in families receiving support under part VI of the Immigration and Asylum Act 1999 and children whose family are in receipt of a ‘qualifying benefit’. Approximately 10\% of the total 2 year population are registered for funded ELC (compared to the roughly 25\% that are eligible). While this has increased gradually over the last few years,\textsuperscript{16} it is still relatively low and the Scottish


\textsuperscript{12}Scottish Government: Funded early learning and childcare statistics in Scotland: https://www2.gov.scot/Topics/Statistics/Browse/Children/Pubs-Pre-SchoolEducation


\textsuperscript{15}Full criteria are available at: https://www.mygov.scot/chilcare-costs-help/funded-early-learning-and-childcare/

\textsuperscript{16}Scottish Government: Funded early learning and childcare statistics in Scotland: https://www2.gov.scot/Topics/Statistics/Browse/Children/Pubs-Pre-SchoolEducation
Government and local authorities are working to raise awareness and introduce data-sharing powers that will help local authorities target likely eligible families.

The expansion to 1,140 hours intends to maximise the opportunity to ensure that all children in Scotland get the best possible start in life. Funding Follows the Child, underpinned by a National Standard\(^\text{17}\) will provide reassurance to parents and carers that any provider offering the funded hours will be able to offer their child a high quality ELC experience. As well as offering greater choice of high quality providers, the expansion to 1,140 hours will also enable parents to access different patterns and types of provision. The increase to the maximum session length for funded ELC from 8 hours to 10 hours enables families to access their child's funded ELC entitlement over longer sessions over a smaller number of days if this best meets their family needs and is available locally.

Given the transformative impact ELC can have on children's development, particularly for children growing up in disadvantaged circumstances, a key aim of the expansion to 1,140 hours is to close the poverty-related attainment gap. With this at its heart, policy design and implementation have considered inequalities of outcome throughout. For example, the ELC expansion aims to ensure:

- all children have access to high quality provision;
- children who stand to benefit the most also benefit first;
- household income is not a barrier to children accessing their entitlement; and
- those children who stand to benefit the most, have access to an enhanced offer.

**Access to high quality funded early learning and childcare**

All the credible research that we have reviewed\(^\text{18}\) agrees that the most consistent indicator and greatest contributor to improved outcomes for children is high quality ELC provision. Funding Follows the Child will be introduced alongside the national roll-out of the expanded entitlement in 2020. This 'provider neutral' approach is underpinned by a National Standard\(^\text{19}\) that all providers delivering the funded hours – regardless of whether they are in the public, private or third sector, or childminders – will have to meet. The National Standard focuses on what children and their


families can expect from their ELC experience, regardless of where they access their funded entitlement. The National Standard references our commitment to ensuring that ELC is fully inclusive and must therefore be delivered in a way that ensures equality of access for, and accounts for the varying needs of, all children.

We also recognise the importance of ensuring that families are aware of their entitlement and know how to make an informed choice for their child. Our research, Exploring parents’ views and use of ELC in Scotland\textsuperscript{20}, showed that of the parents surveyed, lower income households, single earners, and those in most deprived areas were less likely than others to be aware of the planned expansion. The Scottish Government have been working closely with parent organisations and parents and carers to make sure we understand what information they need, and when, about funded ELC. Our work with marketing professionals has included insights message testing with focus groups, with a particular focus on disadvantaged parents whose children are eligible for 2 year old funding, as we know this is where uptake is lowest.

Ensuring families who benefit most also benefit first

Our expansion planning guidance issued to local authorities in March 2017\textsuperscript{21} made clear that plans for ‘phasing in’ the expanded offer in the period to August 2020 should reflect the Scottish Index of Multiple Deprivation. This means that families and communities who stand to benefit most from the expansion also benefit first. As a result of ‘phasing in’, over 46,000 children, including over 3,000 eligible 2 year olds, from more disadvantaged communities were already benefitting from more than 600 hours of funded ELC as of August 2019\textsuperscript{22}.

Local authorities have taken different approaches when ‘phasing in’ the expanded offer. For example, Glasgow City Council’s approach has been to phase in the expanded offer to families on the basis of their income, with families on lower incomes being prioritised first. From August 2019, this approach will extend the expanded offer of 900 hours to all 3 and 4 year olds from families where the annual income is £45,000 or less. Stirling Council are ‘phasing in’ the full 1,140 hours of funded ELC by geographical area (referred to as ‘learning communities’), and have given priority to areas with higher levels of deprivation or a lack of provision.


Removing income-related barriers to accessing funded ELC

The long-standing legal position\(^\text{23}\) is that funded ELC must be free at the point of access regardless of which setting the hours are being delivered in. This ensures that parental choice regarding the setting where the funded hours are to be used will not be restricted by upfront payments or top-up fees in relation to the funded hours, or any requirements to purchase additional hours beyond the funded hours in order to access their child’s funded entitlement at a setting.

However, we understand that there may still be occasions where some of these practices can exist. For example, the Scottish Government’s survey of parents\(^\text{24}\), found that: *Several parents also referred to private providers setting a minimum number of days or hours, such that parents had to pay for more hours than they needed; there was concern that this may not always suit the child’s needs, and that these providers are effectively setting a minimum cost for parents.*

Such costs and practices may prevent families with lower incomes from taking up funded ELC provision in their chosen setting, and limit them to using local authority-run provision where there are no such payment practices. We are taking action at a national level to further raise the profile of the duty to deliver funded ELC without the payment of fees through Criteria 9 of the National Standard which comes into effect from August 2020 as highlighted in the Funding Follows the Child and National Standard for Early Learning and Childcare Providers Operating Guidance\(^\text{25}\).

Income-related benefits for families

Parents perceive benefits of ELC in terms of child development and learning, but also in relation to an increased opportunity for work, training, or study - 79% of those surveyed in our research with parents said they would use the time freed up by ELC to work or to look for work\(^\text{26}\). Under the current legislation, families using their child’s ELC entitlement would have to pay for the additional two hours if they wished to use a 10 hour session. Increasing the maximum ELC session length time from 8 hours to 10 hours from August 2019\(^\text{27}\) allows families to access their child’s ELC entitlement through longer sessions which may more closely align to the working day. It may also increase their choice of provider as it will allow parents to access an 8 am - 6 pm session that can be typical of private settings.

A rapid review by NHS Health Scotland\(^\text{28}\) suggests that that there is a positive connection between ELC provision and employment, specifically maternal employment. However, it is challenging to accurately predict in advance the impacts of expanded funded
ELC on parental employment outcomes. Previous studies in other countries have found widely varying impacts, and differences in context and the services offered mean they may not translate to the current situation in Scotland. In Scotland we are aiming to maximise the potential impact of the expansion of ELC on increased opportunities for parents to be in work, training or study through fully making the connection to, and building on the momentum created by, current employability initiatives – in particular Fair Start Scotland and the new Parental Employability Support Fund.

Targeted interventions

We have put a range of measures in place to ensure that children who stand to benefit most from access to ELC benefit from an enhanced offer that meets their family’s needs. These include an earlier offer for around a quarter of two-year-old children (targeted at children who are likely to benefit most), increasing access to evidence based family learning programmes, and support from an equity and excellence lead, qualified to graduate level, for children attending settings serving the most disadvantaged areas.

2 year old entitlement

We know all children can benefit from ELC, but that the positive impacts can be greater for children growing up in disadvantaged circumstances. However, while uptake of the 2 year old offer in Scotland has increased gradually over the last few years, it is still low. As a result, we are providing support to local authorities and other relevant stakeholders in the third and private sectors through a dedicated national project for the 2 year old offer. This aims to increase the uptake and quality of the two year old offer nationally, enhancing the offer of funded ELC provided to disadvantaged families.

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23 This is set out in the Standards in Scotland’s Schools etc. Act 2000, and the Children and Young People (Scotland) Act 2014, Early Learning and Childcare Statutory Guidance states in paragraph 132: Under section 33(1) of the 2000 Act, the entitlement to mandatory early learning and childcare should be provided without the payment of fees, including where this is delivered through partner providers under a section 35 arrangement.


30 Scottish Government: Funded early learning and childcare statistics in Scotland: https://www2.gov.scot/Topics/Statistics/Browse/Children/Pubs-Pre-SchoolEducation
We are working with Improvement Advisors from the Children and Young Person Improvement Collaborative\textsuperscript{31} to support 9 local authority areas\textsuperscript{32} in multi-agency teams to address barriers to the use of the 2 year old entitlement in their area. Wider lessons from this process will be included in an improvement package that will be shared nationally with all 32 local authorities. The learning from this programme was shared at the Children and Young People Improvement Collaborative Annual Learning Session held in November 2019 and will also be shared through the creation of an online learning community.

We are working with the UK Government to legislate for a data-sharing gateway that will enable Scottish local authorities to access information about families in receipt of qualifying benefits, who are likely to be eligible for the 2 year old offer. Local authorities will then be able to contact families to let them know how they can benefit.

We are also improving the information available to parents and carers to increase awareness and help them to make informed decisions about ELC, in particular through our new ELC pages on Parent Club\textsuperscript{33}. The language and messages have been informed by focus groups and message testing with parents of eligible 2 year olds, and focus on the benefits of ELC for the child. Our future marketing strategy is also being designed with the parents of eligible 2 year olds as the key audience. This will include leaflets, posters and targeted social media.

\textit{Family learning opportunities}

Family learning is an early intervention and prevention approach aimed at encouraging family members to learn together, with a focus on intergenerational learning. It can also be designed to enable parents to learn how to support their children’s learning. The evidence available suggests that family learning as an approach can help break cycles of poverty and disadvantage in communities as well as enhancing the intergenerational transfer of skills between parents and carers and their children\textsuperscript{34}. There has been substantial investment in family learning in ELC. The Scottish Government held a national family learning summit in May 2018. Most recently, we have committed to further increase support for evidence-based family learning programmes in the


\textsuperscript{32} Dumfries and Galloway, East Ayrshire, East Renfrewshire, Edinburgh, Fife, Moray, North Ayrshire, North Lanarkshire, Stirling

\textsuperscript{33} \url{www.parentclub.scot/elc}

Family learning will be offered in or near ELC settings and will be targeted at priority families. It will help parents to learn about early childhood development and how to support their children’s learning. It will also build parents’ confidence in their own capacity to learn, acting as a catalyst to help them take up adult learning, training opportunities and gain employment.

**Equity and excellence leads**

Evidence indicates that children from disadvantaged backgrounds progress further in settings where staff are highly qualified. The Scottish Government have created and provided funding for 435 new posts (Equity and Excellence Leads) in ELC settings serving the most disadvantaged areas. These appointments will be either a teacher or early years graduate with, or working towards, a relevant qualification, for example, the BA in Childhood Practice. The role is primarily focused on leading support for children facing disadvantage, to close the attainment gap. They are not part of the setting’s adult child ratios like other staff and are an extra resource that can be used in a flexible way to respond to the needs of the children and the setting. They also support staff to improve their practice and are drivers of change. Through feedback from Equity and Excellence Leads and local authority representatives at focus group and engagement events, we know that the Equity and Excellence Leads are already providing support to children with a wide range of additional support needs.

**Improving our evidence base**

We are taking forward two key projects to support our understanding of the impact of the expansion and of how different families use and benefit from it: the data transformation project, and the Scottish Study of Early Learning and Childcare (SSELC).

**Data Transformation Project**

We have established a transformation project to improve the quality of the data collected by the ELC census. The census currently collects registration data. This means there can be double counting as children may be registered at more than one ELC setting if they access their funded entitlement from more than one service.

By 2022, the ELC census will be based on an individual child-level collection, and will collect characteristics data on children.

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accessing funded ELC, including: sex, ethnicity, disability status, whether the child has any additional support needs, and the home postcode of the child (to enable analysis by the Scottish Index of Multiple Deprivation). This should allow for more substantive analysis on how different families use funded ELC and help to identify where new or different policy interventions are required to improve awareness and uptake of the statutory entitlement.

**Scottish Study of Early Learning and Childcare (SSELC)**

The Scottish Study of Early Learning and Childcare (SSELC) is a cross-sectional and longitudinal study that will evaluate the expansion of the funded entitlement to 1,140 hours. Baseline data is being collected from children and their parents accessing 600 hours of funded ELC. In 2022-23, data will be collected from those accessing 1,140 hours. Measuring before and after the expansion will allow for an assessment of the extent to which the expansion’s long-term benefits have been achieved.

There are a number of areas in which the SSELC will support the identification of any inequalities of outcome for children. The SSELC collects information on household income and parental economic activity. Postcode information will allow for analysis of any variability in child and parent outcomes related to the Scottish Index of Multiple Deprivation (SIMD) and rurality.

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<th>Summary of assessment findings</th>
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<tr>
<td>Reducing the poverty related attainment gap is a key aim of the ELC expansion. Given this, reducing inequalities of outcome has been a central focus during the policy development. However, as described above, the data collected by the ELC census currently is registration data and information on protected characteristics or socio-economic status is not collected. This means we are not currently able to assess whether and how different families access their child’s ELC entitlement.</td>
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In order to gather additional evidence for this Fairer Scotland Duty assessment, we held two workshops to discuss how the ELC expansion to 1,140 hours of funded ELC could further reduce inequalities of outcome for families facing socio-economic disadvantage. From this feedback, we have explored the options that relate to reducing the potential barriers to uptake of the ELC expansion faced by a small percentage of families. These may be

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37 Scottish Government: Funded early learning and childcare statistics in Scotland: [https://www2.gov.scot/Topics/Statistics/Browse/Children/Pubs-Pre-SchoolEducation](https://www2.gov.scot/Topics/Statistics/Browse/Children/Pubs-Pre-SchoolEducation)

38 The workshops were attended by representatives from: Scottish Government, One Parent Families Scotland (OPFS), Scottish Social Services Council (SSSC), Save the Children, Scottish Childminding Association (SCMA), COSLA, Care Inspectorate, Family Nurse Partnership (NHS), Association of Headteachers and Deputies in Scotland (AHDS), Child Poverty Action Group (CPAG), Scottish Futures Trust (SFT), Stepping Stones for Families, Health Visitor (NHS), Care and Learning Alliance (CALA), National Day Nurseries Association (NDNA), and local authorities.
particularly relevant for families eligible for the 2 year old offer, where uptake is lower\(^{39}\).

1. Communications (Parental Engagement)

Awareness is recognised as a barrier to some families taking up their child’s ELC entitlement, particularly families with an eligible 2 year old\(^{40}\). In order to help raise awareness of the entitlement amongst families facing socio-economic disadvantage, it was suggested that:

- the communications strategy should utilise professionals that have contact with families who have children that will be eligible for the offer or ready to think about ELC. For example, professionals such as Health Visitors and Family Nurses.
- the communication strategy should include targeted engagement with employers, particularly those in lower paid sectors so that employers better understand the role caring responsibilities have on a family and support families to access their child’s ELC entitlement.
- communications for the ELC expansion should also give families the information they may need on extra support available from the Scottish Government to meet any extra costs that may come with a child attending funded ELC, e.g. snacks, outdoor shoes and clothing, and activities. It was recognised that the Best Start Early Learning Payment could be used for these costs but that families may not be aware of the grant when they are considering ELC for their child.

Our Parental Communications Strategy will benefit from the evidence and workshop feedback as part of this process. For our parental communication, we have developed a toolkit for a range of stakeholders including local authorities and third sector partners. This means that trusted professionals (such as Health Visitors and family nurses), and employers will be able to access this resource also, and we will support stakeholders to use these resources for their own communication. We will also expand our communication strategy to ensure that families are aware of wider support available, particularly through the Best Start Early Years Payment which could be used to meet any additional costs associated with attending funded ELC (e.g. wellies or a change of clothes).

\(^{39}\) Approximately 10% of the total 2 year population are registered for funded ELC (compared to the roughly 25% that are eligible). While this has increased gradually over the last few years, it is still low: Scottish Government: Funded early learning and childcare statistics in Scotland: [https://www2.gov.scot/Topics/Statistics/Browse/Children/Pubs-Pre-SchoolEducation](https://www2.gov.scot/Topics/Statistics/Browse/Children/Pubs-Pre-SchoolEducation)

2. Application Processes and Admission Policies

The process of applying for their child’s ELC entitlement can be a barrier to some families accessing ELC. In addition, it was suggested during the workshops that families facing socio-economic disadvantage may not always be prioritised in admission policies. During the workshop events it was suggested that:

- local authorities should be encouraged to have simpler ELC application processes; and
- local authorities should have admission policies which prioritise families most in-need such as those facing socio-economic disadvantage.

The suggestion was that the Scottish Government should find best practice examples for each, and share these nationally.

3. Local Authority ELC Offer Design

Enabling disadvantaged families access to patterns and types of provision that suit their needs was an area discussed by participants at the workshops during this process.

- The change in the way that the funded entitlement can be used (with the increase to allow 10 hours/day) may increase the availability and choice for families to access ELC without paying for wraparound care, and make it easier to fit round paid employment, depending on the employment type and shift patterns.
- Childminders are less available in more deprived areas and it was suggested by participants that childminder ELC provision could be more desirable than other provision for some families. Workshop feedback suggested that childminding as a profession should be promoted, particularly in more deprived areas to increase the availability of this type of provision in these areas.
- For rural communities, there are additional considerations such as travel time and public transport that may be a particular issue if combined with socio-economic disadvantage. Attendees at the workshops suggested that rural communities might benefit from models that are community led.

We plan to support local authorities to understand any barriers to uptake and opportunities to reduce inequalities of outcome.

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caused by socio-economic disadvantage (as well as wider inequalities linked to protected characteristics) through sharing best practice. Findings from this process will be used to tailor this support. We will also share learning from a current SCMA project to explore barriers to childminders in more deprived areas.

As part of the expansion to 1,140 hours, the Scottish Government expects to see further increases in the flexibility offered to families with regards to how they access their child’s funded ELC entitlement. Alongside this, Funding Follows the Child will empower parents in making their choice of ELC setting for their child. Flexibility should be driven by local demand from families regarding the nature, and type, of provision that they require. This should see a range of delivery models including more local authority settings opening for longer hours, delivery through funded providers in the private and third sector, including childminders, and options that tie into the school day (or traditional morning/afternoon sessions). The key is that local authorities ensure an appropriate mix within their authority area. That is why the Children and Young People (Scotland) Act 2014 placed a duty on local authorities to consult with families in their area about how they should make ELC available. Local authorities are required to consult representative groups of parents at least every 2 years about how they should make ELC available. This duty will remain when the entitlement increases to 1,140 hours and local authorities are expected to be consulting families about their local expansion plans. This should help to ensure there is an appropriate mix of delivery models within their authority area which meets the needs of local families.

Local authorities are also subject to the Fairer Scotland Duty. If making strategic decisions around the delivery design of ELC locally, they should also provide assessment of how to address inequalities of outcome as a result of socio-economic disadvantage.

Sign off

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